



## MAY 16 1964

Dear Mr. Chairman:

This review was made pursuant to the interest indicated by the Special Subcommittee at an executive hearing in May 1979. Following several meetings between representatives of the General Accounting Office and CIA, the Director of Central Intelligence and the Comptroller General in October 1979 had an exchange of correspondence concerning the audit and concerning restrictions on undertaking reviews in the area of sensitive security operations. Various steps were taken by CIA to place the General Accounting Office in a position to make a comprehensive audit of the overt activities of CIA. It is our view, however, that under existing security restrictions on our audit of CIA activities, we do not have sufficient access to make comprehensive reviews on a continuing basis that would be productive of evaluations helpful to the Congress.

Document No. 100-441101  
Review of this document by CIA has  
determined that

I have no objection to delivery

✓ to identify information at risk

interest that could be made.

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STATIONS NOTHING AT ALL INTEREST

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Based on our review, we believe that (1) CIA is financing certain Library of Congress activities which substantially transcend CIA's interest and responsibility for providing a centralized reference service as a service of common concern to the intelligence community and (2) administrative controls over CIA's [REDACTED], should be strengthened. In addition, we have questioned the arrangements under which CIA is financing certain activities at the Department of State.

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Two projects at the Library of Congress, the Monthly Index of Russian Accessions and the East European Accession Index, are being financed through the operating budgets of the Office of Central Reference. The budget of this office includes \$685,000 to finance these projects in fiscal year 1961. The projects produce publications which are primarily distributed to public and private research organizations and libraries in the United States and many foreign nations, including some in the U.S.S.R. and its satellites. These projects, in our opinion, substantially transcend CIA's interest and responsibility for providing a central reference facility as a service of common concern to the intelligence community.

We have been advised by CIA that based on a review of the needs of the intelligence community, it has been determined that the present published form of these indexes is not essential for intelligence purposes, but, there are portions of the research work that goes into the preparation of the indexes that CIA would want to continue, and the matter is under active consideration to determine what portion of the related costs should continue to be financed by CIA.

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Certain administrative procedures pertinent to CIA's control over the activities of its [REDACTED] should be strengthened. We have been advised by CIA that changes are to be made which will strengthen these controls.

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Two projects at the Department of State, the National Intelligence Survey and Biographic Intelligence, are being financed by CIA through the operating budgets of the Office of Central Reference and the Office of Basic Intelligence. The budgets of the two offices include \$2,417,000 to finance these projects in 1961. In April 1961, we were advised by CIA that the Department of State and CIA have been considering the possible transfer of these Department of State activities to CIA. CIA presently has under consideration other matters raised by us on these financing arrangements, and we will furnish you with a supplementary letter when decision has been reached thereon.

In as much as we cannot, in our opinion, effectively accomplish any worthwhile audit objectives on a continuing basis, we plan to discontinue our audit of CIA activities.

We are prepared to discuss these matters with you should you so desire.

A copy of this letter is being sent today to the Director of Central Intelligence.

Sincerely yours,

(Signed) Joseph Campbell

Comptroller General  
of the United States

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